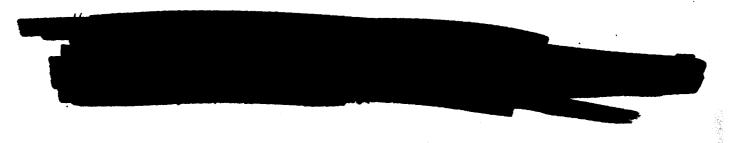


- As agreed, we are providing you hereafter with a summary of the French leaves created by the apparent conflict between French regulations on tender offers and the requirements of the Hart-Scott-Rodino Act ("HSR").
- Offeror is currently contemplating filing on 27 March 2001 a public tender offer for all shares of Offeree, a French Company listed on the Paris stock exchange. If Offeror proceeds with such offer, we understand that it has to file under the HSR. Such filling triggers a thirty days waiting period during which Offeror is prohibited from taking up voting securities of Offeree. Furthermore, during such waiting period the reviewing antitrust agency may issue a second request which will trigger a second waiting period of twenty days as from the date of substantial compliance by Offeror with such second request.
- If such a second request were to be issued, it could potentially lead to a conflict with the French tender offer rules which are primarily contained in title V of the General Regulation of the primarily contained in title V of the General Regulation of the content of the General Regulation of the content of the provide that once a tender offer nascopened and subject to limited exceptions which are not relating to antitrust clearances, the Offeror is at the end of the offer period (which normally is twenty five trading days; but may be extended to thirty five days with the consent of the CMF) under the obligation to acquire the shares tendered. Under the assumption that the offer is filed on 27 March 2001 (it then becomes public), we estimate that the offer would be approved by the CMF on 4 April, could open on 9



April and close on 16 May 2001. Its results would be announced end of May 2001 and delivery and payment of the Offeree shares acquired should occur beginning on or around 6 June 2001.

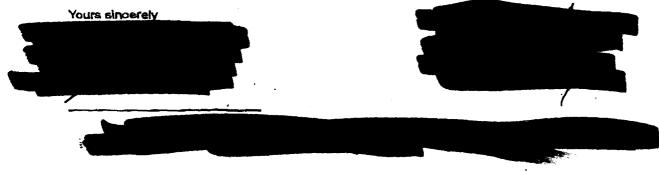
Consequently, assuming filing of the HSR Premarger Notification Form on the date of public announcement, 27 March, if a Second Request were to issue, it appears possible that French law would compel Offeror to take up the chares before the HSR waiting period expires.

To solve this potential conflict, it would legally be possible to condition the opening of the offer (but not the closing) to its clearance under HSR. Unlike the tender offer rules in many countries, France does not permit a tender offer to open until such conditions have been fulfilled. Therefore, the offer cannot run concurrently with the HSR waiting period, but must walt until expiration of the waiting period. This would prevent the offer from opening until the date such clearance has been obtained and communicated to the CMF and in the mean time no shares may be tendered.

Conditioning the opening of the offer until HSR clearance and announcing an offer that would not open until at least 30 days later would entail very significant problems that could prevent the transaction from occurring:

- an HSR condition in a tender offer is almost unprecedented in French tender offers. Indeed, to our knowledge there is only one such precedent dating back to 1993 whereas they are numerous recent precedents of tender offers subject to HSR which were not conditioned. These other companies apparently took the risk that they may come into non-compliance with the HSR Act. The CMF has confirmed to us that while it is legally possible, that it is indeed virtually unprecedented.
  - because of its unprecedented nature of a HSR condition, inclusion of the provision will create three very substantial business risks.
    - The French market will likely be confused by the condition which is extremely unusual.
    - The target will likely reject the condition, in which case they will either extract a higher price in order to obtain management approval or force a hostile tender offer.
    - The condition will significantly enhance the risk of inviting a compating offer. A
      competing offer can be filled any time up to the fifth trading day prior to closing
      of the on-going offer. Therefore, the delay in opening the offer will significantly
      extend the period during which a competing offer can be made.

for all of these reasons, the Offeror's investment bankers have strongly recommended to the Board of the Offeror that its offer not be conditioned on expiration of the HSR waiting period.



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